Saskatchewan
Ministry of
Agriculture

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending April 12, 2013

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Feeder Cattle

Steers

	Range	Average	Change from last week
300-400	-	-	-
400-500	145-169	153.17	+0.77
500-600	138-159	147.78	-0.82
600-700	130-153	141.14	-1.03
700-800	123-138	130.75	+0.25
800-900	116-126	120.43	-1.45
900+	109-117	112.19	-4.94

Heifers

	Range	Average	Change from last week
300-400	125-140	132.00	-4.50
400-500	126-142	134.50	-0.40
500-600	122-136	129.29	-1.96
600-700	117-134	124.00	-1.63
700-800	110-122	115.58	-1.92
800+	105-116	110.71	-1.17

Source: Canfax.
Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

Canfax reported that 13,114 head of cattle were sold in Saskatchewan this week, down from 15,520 head marketed during the previous week.

Feeder steers in the 400 to 500 lb. and 700 to 800 lb. weight categories held onto gains made the previous week, while all other classes experienced limited downward pressure. The average price for heavier fed steers weighing more than 900 lb. declined an average of $4.94 per cwt. High cost of gain in feedlots and western Canadian fed cattle prices remaining under pressure are likely affecting the price of these cattle. It is also possible that marketings were skewed towards heavier animals weighing more than 1,000 lb. The average price for feeder heifers decreased across all weight categories. The average price for 300 to 400 lb. heifers moved $4.50 per cwt lower, while average prices for all other heifer weight categories retraced gains made the previous week.

The Saskatchewan 750 lb. feeder steer basis compared to the April 11, 2013 U.S. feeder cattle index at US$138.18 per cwt was calculated at -$9.34 per cwt (US$138.18/0.9864 - $130.75), an improvement of $2.73 per cwt from -$12.07 per cwt the previous week. The improvement in the basis is likely the result of lower U.S. feeder prices.

Fed and Non-fed Cattle

	April 12	April 5	Change
Steers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Heifers			
Live	n/a	n/a	n/a
Rail	n/a	n/a	n/a
Cows (Alberta)			
D1,2 Live	78.83	76.60	+2.23
D3 Live	69.90	69.86	+0.04
Rail	148.00-153.00	147.00-152.00	+1.00

Source: Canfax.

There were no liveweight or rail prices reported for fed cattle in Saskatchewan. Prices for liveweight, non-fed cattle in Alberta were higher from the previous week with D1,2 slaughter cows increasing $2.23 per cwt to average $78.83 per cwt, while D3 slaughter cows increased slightly to average $69.90 per cwt. Fed cattle prices in Western Canada were generally steady to lower with the price of fed steers in Alberta reported at $112.70 per cwt, down slightly from $112.89 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$127.20 per cwt, down 0.8 per cent from US$128.29 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$201.26 per cwt, down 1.5 per cent from US$204.41 per cwt the previous week.

Average Choice beef cutout values (Choice 600-900 lb.) for the week ending April 13 averaged US$190.60 per cwt, down 0.4 per cent from US$191.29 per cwt the previous week, but up 7.2 per cent from US$177.79 per cwt for the same week a year ago.

U.S. beef production for the week ending April 13 was estimated at 479.0 million lb., up 1.9 per cent from 469.5 million lb. during the previous week, and up 6.0 per cent from 451.4 million lb. a year ago. U.S. weekly cattle slaughter numbers for the week totaled 606,000 head, up 2.2 per cent from 593,000 head the previous week, and up 4.3 per cent from 581,000 head the same week a year ago.

USDA World Agricultural Supply and Demand Estimates

On Wednesday the United States Department of Agriculture (USDA) released the April World Agricultural Supply and Demand Estimates (WASDE). On the meat side, numbers overall were positive as the April estimates of total red meat and poultry production for 2013 in the United States were revised slightly lower by 176 million pounds or 0.2 per cent from March. United States beef production for 2013 was decreased 0.9 per cent to 24.880 billion pounds in April from 25.110 billion pounds in March, and still 3.9 per cent below 2012 production levels. United States pork production for 2013 was increased by 0.6 per cent to 23.505 billion pounds in April from 23.375 billion pounds in March, and up 1.1 per cent from 2012 production levels. United States broiler production for 2013 was revised down slightly from March and turkey production was revised 1.1 per cent lower for 2013 from the March estimates. However, broiler production is estimated to increase 871 million pounds or almost 2.4 per cent from 2012 production, a substantial increase from a few months ago. (Source: USDA) http://usda01.library.cornell.edu/usda/current/wasde/wasde-04-10-2013.pdf

Both feeder cattle and live cattle futures prices continued lower this week. Nearby feeder cattle futures were US$2.800 to US$4.650 per cwt lower (1.8 - 3.3 per cent), while live cattle futures were US$0.175 to US$1.600 per cwt lower (0.1 - 1.3 per cent), week-over-week (Friday). Continued beef demand concerns with current trade issues, a stronger United States dollar over the last month, and a delayed barbecue season in North America with continued cooler weather; are not supportive of higher beef prices.

Weekly cash corn prices and corn futures moved higher, week-over-week. Corn futures rebounded between 2.8 and 4.7 per cent higher, week-over-week. The July 2013 corn futures contract moved over US$0.29 /bu or 4.7 per cent higher, week-over week (Friday).

Friday Price Information

Product		This Week (April 12)	Week of: (April 5)
Canadian Dollar (closing rate US$)		.9864	.9839
United States Dollar Index		82.097	82.494
U.S. Cash Cattle			
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		138.18	140.27
Seven-day Weighted Average FC Index Wt. (lb.)		768	762
Live Fed 5-area Steer Price (US$ per cwt)		127.20	128.29
Feed Grains			
Barley	Lethbridge ($/tonne)	289.00	290.00
	($ per bu.)	6.29	6.31
Corn	Iowa State Average (CDN$/tonne)*	269.40	258.48
	(US$ per bu.)	6.75	6.46
	Omaha, NE (CDN$/tonne)*	271.79	263.68
	(US$ per bu.)	6.81	6.59
Futures			
	May Corn (US$ per bu.) at expiry	6.58½	6.29
	July Corn (US$ per bu.)	6.41¼	6.17¾
	April Live Cattle (US$ per cwt)	125.850	127.550
	August Live Cattle (US$ per cwt)	121.400	124.275
	April Feeder Cattle (US$ per cwt)	137.925	142.575
	October Feeder Cattle (US$ per cwt)	151.075	154.000

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate

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